



San Francisco Bay Area Green Business Program

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To: Hazardous Waste Management Facility Allocation Committee
Technical Advisory Committee

From: Ceil Scandone, Regional Coordinator

Re: Green Business Program Update

Introduction

As reported in November, 2012, the benefits anticipated when AB 913 passed in 2011 have not been fully realized. These benefits were expected to include providing a solid foundation for supportive collaboration with state agencies interested in effective outreach to small businesses; ongoing financial assistance for the statewide database that manages the process and measures results; and establishing a statewide identity to lend the Program greater visibility among businesses and consumers.

Local and regional coordinators recognized that accomplishing these objectives would require significant work, however we counted on the commitment from the Department of Toxic Substances Control, the state agency directed to implement AB 913, to facilitate collaboration with other state agencies, and to provide ongoing funding and staff support to assist existing programs, and manage orderly expansion. In particular, we hoped that enhanced collaboration with state agencies might provide stable funding to support maintenance and improvement of the database that all local programs depend upon to operate.

We learned in 2012 that DTSC's database funding would end effective June 30, 2013 due to severe budget shortfalls. DTSC's in-kind support was reduced from 2 full time staff to less than ½ FTE. On a more positive note, DTSC staff and leaders worked diligently in 2012 to connect Green Business Program coordinators with staff and leaders at the California Air Resources Board, CalRecycle, Cal EPA, Governor's Go Biz, California Public Utilities Commission, and other entities. These relationships have been strengthened, but have not resulted yet in financial commitments.

Locally, our outreach to PG & E has resulted in firm commitments to the database and to local programs for all Green Business Programs in their service area. With advice from ABAG Attorney Ken Moy, the group is considering the types of legal vehicles we could employ to create the more formal governance structure that potential funders will require.

This memo will summarize the status of local programs, the efforts staff has undertaken, in collaboration with Bay Area coordinators and partners throughout the Network to secure funding for the database and local programs, and the situation at DTSC.

Status of Local and Regional Programs

Local:

As we have reported for the last two years, local budget shortfalls, the general economic climate, and the time many have spent on Network – related tasks have constrained slowed the pace of certifications and recertifications. During the depths of the recession, new certifications lagged. This may partly be due to strengthened standards that require businesses to retrofit inefficient lighting systems and restroom fixtures. Some businesses may be unable to cover retrofit costs. The total number of businesses held steady at approximately 2,400, despite the fact that many certified businesses closed their doors.

Some local programs actually or virtually shut down. The San Mateo County Program was officially on hiatus for 18 months, while it sought support from the cities in the county. Sonoma County lost its coordinator in March 2012 and went for 8 months before bringing a new coordinator on board. The Marin County coordinator has fewer hours to allocate to the Program. Solano County has struggled for years to find funding and regain its momentum.

On the plus side, partners in Alameda, Contra Costa, Napa, San Francisco and Santa Clara counties have continued their financial and in-kind support. Coordinators in those counties have participated in efforts to define and shape the future of the California Green Business Program, and to help with the ongoing refinement of the database, time-consuming endeavors that affect time in the field working with businesses. San Mateo County cities agreed to contribute and the county resumed its Program in January 2013. Sonoma County has a new coordinator and reports that business interest is strong. Solano County coordinator is looking to San Mateo and other counties for tips on how to get support from local partners.

Regional:

At the regional level, staff continues to work closely with local coordinators to facilitate the Bay Area Green Business Program. ABAG has hosted and staff has participated in strategy meetings to shape the statewide program, and helped to revise the criteria for new programs seeking network membership to ensure consistency with our Bay Area standards and AB 913. We have also helped to secure funding for the database and local program energy auditing needs.

That work involved helping to plan and host a day long statewide coordinators meeting held in February to address database funding for the coming fiscal year, and a day and a half long retreat in March that brought together coordinators and partners from around the state to develop a plan to strengthen and sustain the program for the long term, including establishing a more formalized structure, such as a Memorandum of Understanding, Joint Powers Authority or 501C3 corporation for the California Green Business Network.

The retreat was particularly notable because it brought together for the first time representatives from the Department of Toxic Substances Control, California Air Resources Board, CalRecycle, Governor's Go Biz, Pacific Gas and Electric Company, program coordinators, and local and regional stakeholder organizations. These participants were able to interact, hear about their peers' enthusiasm and support for the program, and hopefully envision how their agency or company could contribute to creating a stable future.

Conversations with local partners continued, to secure ongoing financial support, with some notable successes. The Bay Area Air Quality Management District resumed funding for the Program in 2012/13. We have requested \$10,000 for 2013/14 as a contribution to Database maintenance and anticipate a positive response.

The most exciting new development is that \$250,000 has now been secured from PG & E. In November, we reported that PG & E included \$150,000 in funding for the Bay Area Green Business Program as part of their CPUC filing for 2013/14. That original request was to provide \$5,000 per year for each Bay Area county program to cover energy conservation – related activities, and \$30,000 per year to support the database.

In January 2013, staff from the Monterey Bay Area Green Business Program, ABAG and the Alameda County Green Business Program asked PG & E to consider making a similar contribution for the other Programs in their service area. The response was positive. The total amount PG & E will contribute to the database has been increased to \$50,000 per year; and 6 additional California counties will receive \$5,000 per year towards operating their programs. Contracting for these contributions is now underway.

Department of Toxic Substances Control

The Department of Toxic Substances Control was named in AB 913 at the agency responsible for establishing the California Green Business Program. Their roles included helping to implement guidelines and structures to promote consistency among programs across the state; financial and in-kind support for the database; and establishing closer ties to other agencies with relevant missions that could be expected to provide future support for the Program. Since the legislation was approved, DTSC's budget for pollution prevention activities has been cut drastically. Staff support has been reduced from the equivalent of 2 staff to less than 1/4. Funding for the ongoing basic maintenance of the database will end on June 30, 2013.

We received assurances that these steps are entirely budget driven. DTSC Director Debbie Raphael, formerly Assistant Director of the Department of the Environment in San Francisco, supports the Program and wants it to succeed. Ms. Raphael met with Network representatives in June 2012, and subsequently arranged for them to meet with the Director of Cal EPA. That led to a presentation before the heads of all the Cal EPA boards, departments and offices and a meeting with the Governor's Go Biz office.

Director Raphael attended the Green Business Program retreat in March 2013 and provided the keynote remarks. Ms. Raphael stated her own personal commitment to the Program, and encouraged representatives from other state agencies in attendance to help the Network succeed.

Conclusion

With a new fiscal year upon us, staff will continue to focus considerable time on working with county coordinators and partners throughout the state to increase capacity locally, find funding for the database and other shared expenses, and establish a formal governance structure.